

ENROLLMENTS AND POSSESSION CERTIFICATES GUIDE

It is a Builder Member's responsibility to submit Enrollments and Possession Certificates in a timely manner and as prescribed by the Agreement with Builder. Failure to do so may affect your membership renewal or lead to suspension or cancelation of membership and/or penalties.

ENROLLMENTS

All eligible homes constructed for sale (pursuant to section 1(2) of the Agreement with Builder) must be enrolled with the Program within 61 days of the date of issue of the building permit or the date of payment of a deposit by a purchaser – whichever is earliest. Late Enrollments will incur a \$30 Late Fee charge* (see 2nd page of Enrollment Form under Fee Schedule).

*If you are a new Builder Member and have units under construction that have been approved for warranty by the Program or received construction permits during the application process, please forward Enrollments for these homes. If past the 61 day deadline, the \$30 late fee charge will be waived on these current builds as long as the Enrollments are received within 30 days of your application approval.

Generally, all homes constructed for sale must be enrolled in the Program. This includes a home that a Builder constructs for an owner or employee of the company, or for another company (including another company the Builder has ownership in). Some homes are not eligible for warranty and therefore Enrollment is not expected. These include:

- mobile homes
- a condominium unit contained in a building having more than 3 stories or in a building with underground parking or commercial use space
- recreational homes (cottages), unless it will be used for more than 6 months of the year
- Additions/renovations to existing homes, including rebuilding a home on an existing foundation
- Detached secondary suites (accessory dwelling units)

An RTM home that does not include the foundation as part of the contract/purchase price (foundation is not constructed by the Builder) may be enrolled at the discretion of the Builder. When enrolled, the foundation is excluded from warranty. For more information, contact the Program office.

One Enrollment should be submitted for each "Home". (For more information, refer to section 2 of your Agreement with Builder). For example, a duplex would require 2 Enrollments and a 20-unit condo would require 20 Enrollments. For a Secondary Suite house, only one Enrollment is required.

Contact us if you are unsure if the home you are constructing qualifies.

Enrolling Homes in the Program

The Enrollment Form can be found on our website on the Builder Portal.

When filling out the form, ensure the address information is accurate and complete. For rural homes, be sure to indicate the applicable rural route information if there is no civic address assigned. After completing an Enrollment Form, print and sign, and forward to the Program for processing with payment (cheque or visa/mastercard accepted). Upon receipt, it will be processed and given an Enrollment Number. We will then forward an authorized copy back to you via email. If you prefer that authorized copies be mailed to you, please advise.

NOTE: The Enrollment Fee is based on Estimated Selling Price of the UNIT only – excluding land. Please ensure you locate the correct fee amount based on the Unit Price and your Builder Level. If you are not sure of your Level, please contact our office. Ensure the total amount is correct. **We will not issue refunds on amounts under \$10 where there has been an overpayment.**

Incomplete forms may result in a delay in processing. If you need assistance in filling out the form, please contact the Program.

POSSESSION CERTIFICATES

Per the Agreement with Builder, section 7 (1):

Forthwith upon granting possession of a home to a Homeowner, the Builder shall complete and execute and shall cause the Homeowner to complete and execute a Possession Certificate in the form determined from time to time by the Program. The Builder shall furnish the Homeowner with a copy of such Possession Certificate and shall immediately forward the designated copy of the Possession Certificate to the Program.

Understanding the Warranty

Please take the time to read the Warranty thoroughly and ensure that your construction contract does not conflict in any way. Also, ensure that all staff members, trades, and associates (real estate agents, managers, etc.) understand the Warranty so that accurate information is always communicated to your purchasers and potential buyers.

Filling Out Possession Certificates

The Homeowner, upon taking possession of the home (the Purchaser), along with the Builder Member fills in “The Certificate of Possession & New Home Warranty.” A convenient time to fill out this form is during the pre-possession walk through of the home with the Purchaser. Upon signing and completing the Possession Certificate, the Purchaser receives the “white” copy. The Builder retains the “yellow” copy and sends the “pink” copy to the Program. **We will NOT accept a photocopy or scanned copy.** If you lose the pink copy, you may send us the yellow copy. Any attachments (walk through sheets, agreements regarding deficiencies or “as is” items, etc.) should be attached to the pink copy of the Certificate.

When filling in a Possession Certificate, please follow these guidelines:

Address information: Fill in the legal address of the home. If the legal address is different than the mailing address, please provide the Mailing Address (where indicated). This information is necessary for the Program to send the Purchaser their warranty coverage information package.

Enrollment #: This is the 'Assigned Enrollment Number' from the authorized Enrollment Form.

Purchasers: Purchaser name(s). Please ensure the spelling is correct and print clearly.

Date of Possession: This is the date the Purchaser takes possession of the home. DO NOT LEAVE BLANK. If you are not sure of this date - contact our office. Warranty begins from the Date of Possession.

The following items are to be corrected by the Builder. Warranty items:

Use this section to list items that have already been identified as Defects in Workmanship and Materials per section 2 on the Warranty. These are defects recognized during the pre-possession walkthrough of the home such as: bathtub dent, front door damage, cracked window glass, loose handrail, etc. If you prefer, you may attach a copy of your walk-through sheet to the Certificate instead of listing the items in this space. If you have questions about this section, please contact our office.

DO NOT LIST UNCOMPLETE, MISSING, SEASONAL, or CONTRACTUAL ITEMS such as: missing towel bar, stucco to be completed in the spring, light fixture in wrong location, wrong paint colour in kitchen, window screens missing. NOTE: as per the front of the Certificate:

- # 5, *"...in the event of default by the Builder, uncompleted items will not be completed by the New Home Warranty Program of Manitoba Inc. and unless completed by the Builder are not covered by the conditions of the Warranty."*
- #6 *Settlement of contractual disputes between Builder and Purchaser are not part of the Warranty.*

DO NOT LIST EXCLUDED ITEMS such as: driveways, walkways, grading, landscaping, etc. (Refer to section 1 of the Warranty for exclusions)

DO NOT USE THIS SPACE FOR MISCELLANEOUS INFORMATION such as meter readings.

The following work and materials are NOT WARRANTED BY THE BUILDER (SUCH AS WORK DONE BY OWNER):

Use this section to list labour and materials that will be excluded from warranty. This can include:

- Labour and/or materials carried out by the Purchaser. (if this list is extensive, please attach a separate page or a copy of the construction contract).
- A foundation constructed by the Purchaser on to which an RTM is to be placed
- Defects agreed upon by both Builder and Purchaser due to extenuating circumstances. Example: a stain on the carpet of a show home, and the Purchaser agrees that this will not be cleaned/repared by the Builder. This can also include (*per section 3.h of the Warranty*), *"colour variations or surface defects in workmanship or materials apparent and accepted by the homeowner at the date of possession"*.

NOTE: a Builder may not exclude entire items from warranty (such as flooring, plumbing, framing, etc., if such work and/or materials is supplied by the Builder) OR amend the coverage period.

Completing a Possession Certificate in a timely manner is important!

The Possession Certificate contains important terms and conditions of the warranty of the home, including the Claims Procedure. If a homeowner does not receive a Possession Certificate within a reasonable time, and in any case not later than 1 year from their Date of Possession, they will not have the opportunity to understand the claims process that provides certain timelines for the submission of a claim. This can cause a situation where the homeowner submits a warranty claim past the coverage period – with the expectation that it be honoured as they did not know the claims procedure. **The Program therefore reserves the right to accept a warranty claim in such a situation where a Possession Certificate is outstanding**, despite the claim being received outside the coverage period, and will hold the Builder responsible. Further, failure to comply with section 7(1) of the Agreement with Builder may result in the termination of your membership.

All Enrollments in our records where a home has been sold and occupied must match up with a Purchaser and Date of Possession, with a Certificate being properly executed by the Builder. If this information is missing at the time a Builder cancels their membership, it becomes difficult to determine the date to release the Security, as we must ensure that all homes are past warranty. If a home is missing its Date of Possession, or we are missing the actual Certificate, it may cause us to hold the security longer than required.

Problems executing the Possession Certificate or sending to Program office

You may encounter a problem with a misplaced Certificate or getting a Certificate signed by the Purchaser. If this happens, CONTACT US IMMEDIATELY. Below are some scenarios and instructions on what to do.

1. *You have misplaced the ‘pink’ Program copy or it is possibly lost in the mail.*

Make a photocopy of the front and backside of your ‘yellow’ copy for your records and send us the yellow carbon copy original.

2. *You have misplaced both the ‘pink’ Program copy and your ‘yellow’ copy, but you are certain the Purchaser has signed the Certificate.*

Get in touch with the Purchaser(s) and request that they confirm receipt of the Certificate and email you back with an attached copy. You can then forward the email to us. This is one of the only times we will accept a scanned copy of the Certificate.

3. *You have given the Certificate to the Purchaser, but they refuse to sign or request that the Certificate be ‘left with them to review’ before signing and fails to send it back to you.*

- a.) Send a letter to the Purchaser(s) (preferably by registered mail) with another Certificate and request a signature. The letter should be cc’d to us. Provide instructions to keep the ‘white’ copy and send back the ‘yellow’ and ‘pink’ copies. Once received, send us the ‘pink’ copy.
- b.) Provide us with the details via email (Purchaser name(s) and Date of Possession) and we will fill out the Certificate and sign on your behalf OR provide us with the completed Certificate, all three copies. Also provide additional contact information of the Purchaser (phone number/ mailing address/ email address), the date you attempted to have the Certificate signed, the reason it was not signed, and any other information you feel is important. We will then forward the Certificate to the Purchaser for signature.

Note, there may be a charge (see below) for us to attempt to obtain the signed Certificate, so we recommend that you make this attempt on your own first.

4. You are an RTM Builder and there is no walk-through or other convenient time to sign the Certificate at possession.

Please refer to # 3 above.

5. Fully signed Certificate absolutely cannot be obtained, and the Program must assign a Date of Possession. This often occurs if Purchasers do not return a signed copy of the Certificate; if the original owner is deceased or the home has been sold before signature from original owners can be obtained; etc.

Provide name of Purchaser(s), Date of Possession (according to your records), copy of the construction contract/purchase agreement, and legal information to support the Date of Possession (Letter of Substantial Completion from lawyer, Title Search showing transfer of land to Purchaser, transfer of house insurance, etc.).

Note, there may be a charge (see below) for us to do a Title Search to confirm the Date of Possession, so we recommend that you provide all available information first. The construction contract alone is not enough to establish the Date of Possession.

NOTE: THIS METHOD OF PROVIDING POSSESSION INFO SHOULD NOT BE USED IN LIEU OF ISSUING A CERTIFICATE TO A PURCHASER WHERE SUCH CERTIFICATE COULD REASONABLY BE ISSUED.

6. You have a contractual dispute with the Purchaser (will not be finishing home) leading you to NOT grant possession of the home and NOT issue a possession Certificate.

Provide us with details of the situation, along with the Enrollment Number, address of the home, Purchaser names and their contact information. NOTE: If you have given possession of the home to the Purchaser but have a dispute over monies being held in relation to defects in workmanship and materials, do not withhold the Certificate. Clause 10 on the back of the Possession Certificate is in place for this reason.

Administrative Costs for Outstanding Possession Certificates

As it is the Builder's responsibility to provide the Possession Certificates to the Program, all accompanying administrative costs shall be borne by the Builder. While we will assist in the best way we can in difficult situations where a Certificate cannot be obtained, we do reserve the right to recoup any administrative costs for obtaining Possession Certificates or legal information to assign a Date of Possession if the Builder is unable to perform this responsibility. See below.

1.) Title Search	\$35 plus GST
2.) Sending a Certificate to Purchaser for signature	\$50 plus GST

Penalties for Outstanding Possession Certificates

If the Program determines that Certificates are not being issued by the Builder and/or forwarded to the Program in a timely manner without justifiable cause, the Program will execute its right in suspending or cancelling the Builder's membership and/or raise the Builder's Enrollment Level. Also note that the Program (in accordance with section 17 of the Warranty), may fix a Date of Possession which shall be deemed binding on the Homeowner, the Builder and the Program.